

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - X
UNITED STATES OF AMERICA :
:
- v. - :
:
SOHRAB SHARMA, :
a/k/a "Sam Sharma," :
RAYMOND TRAPANI, :
a/k/a "Ray," and :
ROBERT FARKAS, :
a/k/a "RJ," :
:
Defendants. :
:
- - - - - X

INDICTMENT

18 Cr. _____

JUDGE SCHOFIELD

18 CRIM 340

COUNT ONE

(Conspiracy to Commit Securities Fraud)

The Grand Jury charges:

Centra Tech and the Defendants

1. At all times relevant to this Indictment, Centra Tech, Inc. ("Centra Tech") was a company headquartered in Miami Beach, Florida, that purported to offer various cryptocurrency-related financial products. For example, Centra Tech claimed to have a Centra Tech debit card that allowed users to spend cryptocurrencies such as "Bitcoin" and "Ether" to make purchases in real-time at various stores and other establishments that were part of the networks of merchant locations that accept payment cards from Master Card and Visa, two companies described in more detail in paragraphs 7 and 8 of this Indictment.

2. SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, founded Centra Tech in or about July 2017.

3. SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, served in various roles at Centra Tech, including as a Director of Centra Tech and as Centra Tech's President and Chief Technology Officer until approximately late October 2017. Before SHARMA co-founded Centra Tech with RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, SHARMA and TRAPANI worked together at a luxury car rental company in Florida.

4. RAYMOND TRAPANI, a/k/a "Ray," the defendant, served as Centra Tech's Chief Operating Officer until in or about late October 2017.

5. ROBERT FARKAS, a/k/a "RJ," the defendant, served in various roles at Centra Tech, including as Centra Tech's Chief Marketing Officer, until approximately late October 2017, and then subsequently as a Director and the Chief Operating Officer of Centra Tech.

Additional Relevant Entities

6. The Bancorp, Inc. ("Bancorp") is a Delaware-based financial services company with offices throughout the United States. Bancorp provides a variety of financial services to companies and individuals, including issuing debit and prepaid cards, and payments processing, which it does by virtue of

contractual partnerships with other financial services companies such as Visa and Mastercard, among others.

7. Visa Inc. ("Visa") is a multinational financial services corporation headquartered in California. Visa facilitates electronic funds transfers throughout the world, most commonly through "Visa"-branded credit cards and debit cards.

8. Mastercard Incorporated ("Mastercard") is a multinational financial services corporation headquartered in New York. Mastercard's principal business is to process payments between the banks of merchants and the card issuing banks or credit unions of the purchasers who use "Mastercard"-branded debit and credit cards to make purchases.

Background on Initial Coin Offerings

9. An "initial coin offering" or "ICO" is a type of fundraising event in which an entity offers participants a unique digital "coin" or "token" in exchange for consideration. The consideration often comes in the form of "digital currency" or "cryptocurrency," but can also be "fiat currency," which is a term used to describe currency that a government has declared to be legal tender, such as the U.S. dollar or the Euro, but is not backed by a physical commodity. "Digital currency" or "cryptocurrency" is a digital representation of value that can be digitally traded and functions as (1) a medium of exchange, (2) a unit of account, or (3) a store of value, but does not have legal

tender status. Unlike fiat currency, digital currency is not issued by any jurisdiction and functions only by agreement within the community of users of that particular currency. Examples of digital currencies are "Bitcoin" and "Ether," both of which are issued and distributed on their own "blockchains." A "blockchain" is a digitalized, decentralized, cryptographically-secured ledger that allows market participants to keep track of digital currency transactions without central recordkeeping.

10. The tokens or coins issued in an ICO are issued and distributed on a blockchain. Tokens often are also listed and traded on online platforms, typically called digital currency exchanges, and they usually trade for other assets. Often, tokens are listed and tradeable immediately after they are issued.

11. ICOs are typically announced and promoted through the internet and email. Issuers usually release a "white paper" describing the project and the terms of the ICO. In order to participate in the ICO, investors are generally required to transfer funds to the issuer. After the completion of the ICO, the issuer will distribute its unique "coin" or "token" to the participants. The tokens may entitle the holders to certain rights related to a venture underlying the ICO, such as rights to profits, shares of assets, rights to use certain services provided by the issuer, or voting rights. These tokens may also be listed on online digital currency exchanges and be tradable for digital

currencies.

12. Pursuant to Sections 5(a) and 5(c) of the Securities Act of 1933, a company or individual conducting an offer or sale of securities to the public must file a registration statement with the SEC or must qualify for an exemption from the registration requirements. 15 U.S.C. § 77e(a) and (c). Under Section 2(a)(1) of the Securities Act, a security includes "an investment contract." 15 U.S.C. § 77b.

13. On or about July 25, 2017, the United States Securities and Exchange Commission (the "SEC") issued a public report with respect to its investigation of an ICO in which the SEC explained that initial and other digital coin offerings can be, and often are, offerings of "securities" under the federal securities laws that must be registered with the SEC or must qualify for an exemption from the registration requirements (the "SEC ICO Report").

Overview of the Scheme to Defraud

14. From at least on or about July 30, 2017 through at least in or about April 2018, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, engaged in a scheme to defraud investors in Centra Tech's ICO through a series of material misrepresentations and omissions. Through this fraudulent scheme, SHARMA, TRAPANI and FARKAS solicited digital funds worth more than \$25 million from

investors who purchased digital coins issued by Centra Tech.

15. As part of the scheme, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, made and, caused to be made, the following misstatements, among others, in soliciting investments in Centra Tech:

a. SHARMA, TRAPANI and FARKAS claimed to investors that Centra Tech had developed a debit card that enabled users to spend cryptocurrencies to make purchases at any stores that accept Visa or Mastercard payment cards, and that Centra Tech had partnerships with Bancorp, Visa, and Mastercard to issue Centra Tech debit cards. In fact, Centra Tech had no such partnerships with Bancorp, Visa or Mastercard.

b. SHARMA, TRAPANI and FARKAS claimed to investors that Centra Tech's executive team included two purported senior executives named "Michael Edwards" and "Jessica Robinson" who had impressive work histories and academic credentials. In fact, neither "Michael Edwards" nor "Jessica Robinson" was a real person.

c. SHARMA, TRAPANI and FARKAS claimed to investors that Centra Tech held money transmitter and other relevant licenses in 38 states. In fact, Centra Tech did not have such licenses in a number of those states.

**Centra Tech's ICO and the Issuance of
Unregistered Securities in the Form of Centra Tokens**

16. From on or about July 30, 2017 through on or about October 5, 2017, Centra Tech raised funds from investors, in the form of digital funds worth more than \$25 million, via an ICO for the purported purpose of enabling Centra Tech to operate what Centra Tech advertised would be the world's first multi-blockchain debit card. During this ICO, Centra Tech accepted digital funds from investors in exchange for unregistered securities in the form of digital tokens issued by Centra Tech, known as "Centra tokens," also known as "CTR tokens" or "CTRs." that could be traded, or exchanged, on various digital currency exchanges. At no time did Centra Tech register its ICO with the SEC.

17. As part of the ICO, Centra Tech posted several different versions of a white paper advertising Centra Tech's ICO on the Centra Tech Website. A version of the ICO White Paper, labeled "FINAL DRAFT," that was available on the Centra Tech Website at least as of August 3, 2017 ("White Paper-1") contained several statements describing the Centra Tech ICO and Centra tokens. The characteristics of the Centra Tech ICO and the Centra tokens, as described by Centra Tech, rendered the Centra tokens securities and therefore subject to the provisions of Sections 5 of the Securities Act of 1933. For example:

a. In White Paper-1, Centra Tech stated that it would be offering "68% of all [Centra] Tokens to be created for purchase in our crowd sale to the public" and would "allocate 20% of all [Centra] Tokens created to distribution of bug bounty, business development, community projects, market expansion, and more" while "[t]he remaining 12% will be distributed to Centra Techs founders, early investors, and employees as an incentive to create a long lasting mutual interest and dedication to the tokens and their prolonged value."

b. White Paper-1 advertised multiple "rewards" programs for Centra Token holders. For example, White Paper-1 advertised that Centra Token holders would receive a ".8% ETH" reward for every transaction in the "network" (the "Network Rewards Program"). During an interview of Centra Tech co-founder SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, on an internet radio podcast on or about August 14, 2017, SHARMA represented that "through our revenue share we actually give .8 percent of that away to token holders as part of our program to join the Centra Tokens." Through such representations, Centra Tech portrayed its Network Rewards Program as functioning like a dividend, in that it offered a share — .8% ETH — of Centra Tech's revenue.

c. Although Centra Tech claimed that holders of the Centra Token "by no means own any securities or interest in Centra Tech," and that the Centra tokens "are not securities nor shares,"

White Paper-1 promised that Centra Token purchasers would "be able to place their wallet to use on Centra Debit card, or exchange them [the Centra Tokens] on the Cryptocurrency exchanges for a profit."

**Fraudulent Representations Concerning
Centra Tech's Purported Corporate Partnerships**

18. In soliciting investor funds during Centra Tech's ICO, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, made repeated fraudulent representations to potential investors that Centra Tech had developed a debit card (the "Centra Debit Card" or "Centra Card") that allowed users to spend cryptocurrency to make purchases at any establishment that accepts Visa or Mastercard, and that Centra Tech had formed partnerships with Bancorp, Visa, and Mastercard to issue Centra Debit Cards licensed by Visa and Mastercard.

19. SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, caused false statements related to these purported partnerships to be made in white papers issued by Centra Tech with respect to the ICO. For example, the version of Centra Tech's white paper that was available on the Centra Tech Website in or about July 2017 ("White Paper-2") contained a diagram listing "milestone items" in Centra Tech's development, and referenced that in January 2017:

"Major Banking Partnership signed and license agreement with VISA USA Inc formulated." Under a heading entitled "Centra Tech Partners," White Paper-2 displayed the logos of Bancorp, Visa and Mastercard. White Paper-2 also contained images of Centra Debit Cards with "Visa" and "Mastercard" logos displayed on the cards next to Centra Tech's own logo — a gold coin with a "C" in the middle.

20. SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, also caused similar false statements to be made directly on the Centra Tech Website. For example, in or about August 2017, the Centra Tech Website included a page claiming:

The Centra Card Visa Debit Card is issued by The Bancorp Bank, member FDIC, pursuant to a license from Visa U.S.A. Inc. "The Bankcorp" [sic] and "The Bancorp Bank" are registered trademarks of The Bankcorp Bank © 2014. Use of the Card is subject to the terms and conditions of the applicable Cardholder Agreement and fee schedule, if any.

21. On or about August 14, 2017, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, during an interview on an internet podcast relating to cryptocurrency, stated, among other things, the following about Centra Tech's purported partnerships with Visa and Mastercard for the issuance of Centra Debit Cards: "[I]nternationally, we currently have our license with Mastercard, to service international clients. Domestically, we do have the

Visa partnership, so we are able to issue Visa cards domestically and Mastercards internationally."

22. On or about October 13, 2017, ROBERT FARKAS, a/k/a "RJ," the defendant, sent an email to SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, attaching FARKAS' edits to an investor pitch deck for Centra Tech, dated August 15, 2017. The pitch deck stated, among other things, that: (i) the Centra Card gives users "[a]ccess to more than 36 Million Points of Sale wherever Visa and/or Mastercard is accepted"; (ii) the Centra Card was "issued" by "Mastercard and Visa;" and (iii) Centra in January 2017 had a "Major Banking Partnership and license agreement signed with VISA USA Inc."

23. As SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, well knew, the above-described representations about Centra Tech's purported partnerships with Bancorp, Visa and Mastercard were false. In fact, Centra Tech had not entered into any partnerships with Bancorp, Visa or Mastercard.

24. On or about July 31, 2017, SOHRAB SHARMA, a/k/a "Sam Sharma" and RAYMOND TRAPANI, a/k/a "Ray," the defendants, engaged in a cellphone text message conversation in which they discussed Centra Tech's lack of actual partnerships with banks or credit card companies. During that exchange, SHARMA wrote: "Should write down a list of places to call tomorrow," "For the conbranded [sic]

card." Later in the exchange, SHARMA wrote: "Gotta get it going on the banks today plz." SHARMA also subsequently wrote: "We just need to get s [sic] banking license," "Need our direct agreement with visa," "Or MasterCard," "That's the move," "Cut out the middle man," "I wish we just knew someone."

25. On or about August 30, 2017, Bancorp sent a cease-and-desist notice to SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, stating, in all capital text, that "CENTRA TECH IS HEREBY DIRECTED TO CEASE AND DESIST FROM REPRESENTING THAT THE BANCORP BANK HAS ANY CONNECTION WITH, OR IS THE ISSUER OF ANY CARD PRODUCTS RELATED TO CENTRA TECH . . . [and from] USING OUR LOGO OR OTHER IMAGES IN CONNECTION WITH THE MARKETING OF ANY PRODUCT OR WALLETS YOU OFFER."

26. On or about August 30, 2017, during a group cellphone text message conversation between SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, the three discussed Bancorp's cease-and-desist notice. At approximately 4:21PM, SHARMA wrote: "Yo," "One of you login to," "Medium/@centra asap," "And remove that thumbnail," "Asap," "Bankcorp reached out." At approximately 4:23PM, TRAPANI wrote: "Will in 30 mins at hospital." SHARMA responded "Do it asap rocky." FARKAS wrote "Done." TRAPANI responded "Good shit RJ." FARKAS subsequently wrote: "No Bancorp on it." SHARMA responded: "In the bottom? . . . U sure," "I thought I saw," "On press releases." FARKAS wrote: "Just checked

them all," "No Bancorp." SHARMA responded: "Okay," "We gotta get that shit removed everywhere and blame freelancers lol"

27. During Centra Tech's ICO, RAYMOND TRAPANI, a/k/a "Ray," the defendant, participated in a video promoting Centra Tech. The video contained false representations about Centra Tech's purported partnership with Bancorp. This video was available to the public via the internet as of on or about September 22, 2017 but was subsequently removed. On or about September 22, 2017, during a group cellphone text message conversation among TRAPANI and SOHRAB SHARMA, a/k/a "Sam Sharma," and ROBERT FARKAS, a/k/a "RJ," the defendants, FARKAS wrote: "Says Bancorp on your video ray is that ok." TRAPANI responded: "Gotta get it edited but we have been saying Bancorp." SHARMA wrote "What video," "Fake it off," "I don't wanna get sued."

28. On or about September 29, 2017, during a group cellphone text message conversation between SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, the three discussed taking down (among other things) the version of Centra Tech's white paper available on the Centra Tech Website at the time. In one message, SHARMA wrote: "I rather cut any fufu," "Off right own," "Now," "Then worry," "Anything that doesn't exist current," "We need to remove," "Have them do it asap." In another, SHARMA wrote: "Delete all the cards have shipped info," "Everything gotta get cleaned up," "RJ can u

jump on that . . . on our pages." At approximately 11:55PM, SHARMA wrote: "I want a product page like [another company]," "Theirs is so nice." TRAPANI wrote "Lol yeah no real product." SHARMA wrote: "Yea but it doesn't say much," "And looks good," "We don't have a real product either right now," "So I wanna tighten up ship asap." TRAPANI wrote "Feel you."

29. On or about October 10, 2017, after Visa became aware that Centra Tech's promotional materials contained false representations about a purported partnership between Centra Tech and Visa, Visa's Legal Department sent an email to Centra Tech, via the email address "support@centra.tech," attaching a cease-and-desist letter (the "October 10 Letter"). In the October 10 Letter, Visa stated, in part:

It has come to our attention that Centra Tech ("Centra") is using the Visa-Owned Marks on its site <https://www.centra.tech> as well as on its various social media sites (e.g., Facebook, Twitter, Instagram, YouTube) and other mediums. It appears Centra is purporting to be an authorized distributor of VISA payment cards utilizing cryptocurrency technology. . . . However, to the best of our knowledge and good faith belief, Centra is not authorized to use the Visa-Owned Marks in this manner, nor is it authorized to issue, sell, or otherwise distribute VISA payment cards. If this is not the case, please advise and explain immediately, i.e., if Centra is working with an authorized Visa Issuing bank.

30. On or about October 10, 2017, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, using the email address "sam@centra.tech," emailed a response to Visa's October 10 Letter, stating:

This matter has been brought to my attention. I will have this matter rectified in 48 hours. We are currently in the process of finalizing our Co-branded Prepaid Card Program, but might not meet the Nov 1st lock out deadlines for submission from our issuing bank whom is an authorized visa issuer for card design approval, So can see where this issue might of came from.

However, I have immediately contacted my web developers to remove all issues and I will have this document [a cease and desist acknowledgment] signed and returned within 48 hours.

Thank you,
Sam Sharma

31. On or about October 11, 2017, Visa responded to the email from reply by SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, and requested that he "advise of the Visa issuing bank you are working with." On or about October 12, 2017, SHARMA responded again via email, using his "sam@centra.tech" email account, and stated: "As far as the issuing bank we have an MNDA [Mutual Non-Disclosure Agreement] in place currently. VISA will soon get our information for Card Design approval and program specs from our future issuing bank in the US." SHARMA signed the email, "Thank you, Sam."

32. On a different occasion, after a prospective investor in Centra Tech asked SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, for proof to verify representations by Centra Tech that Centra Tech had a contract with a particular venture capital firm, SHARMA sent cellphone text messages on or about August 28, 2017 to RAYMOND

TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, in which SHARMA stated that "I'm worried about getting these guys the fufu contest," "Contract," for the investment firm "because they can verify it," and that he was going to tell the prospective investor that "I'm gonna say our NDA [Non-Disclosure Agreement] is very tight," "We can't share the contract." In response, TRAPANI wrote "Get any worry out of your mind your a fucking closer," and FARKAS wrote "Dance," "Do what you do."

**Fraudulent Representations Concerning
Centra Tech's Purported Executive Team**

33. In soliciting investor funds during Centra Tech's ICO, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, made fraudulent statements and omissions concerning Centra Tech's executive team. These fraudulent representations included reference to two purported senior executives at Centra Tech named "Michael Edwards" and "Jessica Robinson." In fact, both "Michael Edwards" and "Jessica Robinson" did not exist.

34. White Paper-1, for example, contained a section entitled "Centra Tech Team" listing: (i) a purported individual named "Michael Edwards" as Centra Tech's "CEO & Co-Founder," along with a supposed picture of "Michael Edwards"; and (ii) a purported individual named "Jessica Robinson" as Centra Tech's "CFO," along with a supposed picture of "Jessica Robinson."

35. On or about August 14, 2017, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, was interviewed on a cryptocurrency podcast about Centra Tech's ICO. When SHARMA was asked during the interview how Centra Tech obtained its startup capital, SHARMA stated, among other things, that "we have one private investor, who's actually Mike Edwards" and that Edwards is "also our VP and co-founder" who "put up a lot of the capital originally" to establish Centra Tech.

36. During the course of the ICO, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, caused profiles for various Centra Tech executives to be published on LinkedIn's professional networking website, including the following:

37. According to a LinkedIn profile for "Michael Edwards" that was available to the public via the internet as of on or about August 3, 2017, "Michael Edwards" earned a master's in business administration from Harvard University, had more than 20 years of experience in the banking industry as a financial analyst at Bank of America (1993 through 2001), a vice president at Chase (2001 through 2011) and a senior vice president at Wells Fargo (2011 through 2016), and was the "CEO & Co-Founder of Centra Tech," where he had worked since May 2016 and had "[e]stablished licensing and partnership terms with Visa & Mastercard," among other accomplishments.

38. According to a LinkedIn profile for "Jessica Robinson" that was available to the public via the internet as of in or about August 2017, "Jessica Robinson" had close to five years of experience as the Chief Financial Officer of Johnson Communications before becoming the Chief Financial Officer of Centra Tech, where she had worked since December 2016 and had "[c]reated the partnership between Centra and a Major US Bank."

39. In fact, and as SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, well knew, "Michael Edwards" and "Jessica Robinson" of Centra Tech were not real people. With respect to "Michael Edwards," his purported photograph in White Paper-1 was actually a publically accessible photograph of an individual by a different name with no relationship with Centra Tech or the defendants. According to a *New York Times* article published shortly after Centra Tech's ICO, "The first cracks" in Centra Tech's ICO "appeared in early August" 2017, when an online blogger "wrote on his blog that Mr. Edwards appeared to be made up," in response to which "Centra initially threatened to sue [the blogger] but then said the bad profiles were the result of freelancers who had hastily put together the company's marketing material."

40. SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, took active steps to conceal the fact that "Michael Edwards" and

"Jessica Robinson" did not exist. For example, on or about July 29, 2017, during a cellphone text message conversation between SHARMA and TRAPANI, SHARMA wrote to TRAPANI: "Need to find someone who looks like Michael," "Team photos," "He's real lol," "Everyone real," "Except Jessica," "And Mike." Similarly, SHARMA later wrote during that same exchange: "Gonna kill both Ceo and her," "Gonna say they were married and got into an accident."

41. On or about September 13 and 14, 2017, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, participated in a group cellphone text message conversation while SHARMA was on a business trip in South Korea for the purpose of soliciting investments in Centra Tech from a particular company (the "South Korean Company"). During this group conversation, TRAPANI sent a text message to SHARMA and FARKAS in which TRAPANI wrote "Just gotta close this shit with [the South Korean Company] get that ETH." SHARMA responded "We need to remove mike Edwards and "Jessica asap," "After ICO."

**Fraudulent Representations Concerning
Centra Tech's Purported Licenses in 38 States**

42. In soliciting investor funds during Centra Tech's ICO, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, fraudulently claimed that Centra Tech held money transmitter and other licenses

in 38 states. In fact, and as the defendants well knew, Centra Tech did not have such licenses in a number of those states.

43. Specifically, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, caused Centra Tech to represent in White Paper-1 that: "Centra Tech holds individual licenses in 38 states namely Alabama, Arizona, Alaska, Arkansas, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Mississippi, Nevada, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Oregon, Rhode Island, South Dakota, Tennessee, Texas, Vermont, Virginia, Washington, and West Virginia" and that the licenses "are held under categories of Money Transmitter, Sales of Checks, Electronic Money Transfers, and Seller of Payment Instruments."

44. In fact, Centra Tech did not hold such licenses in a number of those states. For example, a review on or about March 12, 2018 of a database maintained by the Nationwide Multistate Licensing System, a financial services industry online registration and licensing database, and of certain state licensing databases, revealed that seven of the states where Centra Tech claimed to hold licenses (namely, Arizona, Connecticut, Delaware, Florida, New Jersey, New York or South Dakota) had no record for Centra Tech. Moreover, while Centra Tech took efforts

to begin the licensing process, those efforts did not begin until October 2017, months after Centra Tech began its ICO.

45. SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, were well aware of the falsity of their representations with respect to Centra Tech holding money transmitter and other licenses in 38 states. For example, during a group cellphone text message conversation that took place on or about August 30, 2017, between SHARMA, TRAPANI and FARKAS, SHARMA sent text messages to TRAPANI and FARKAS about applying for state licenses for Centra Tech (licenses that Centra Tech had represented it already held in 38 states). For example, SHARMA wrote in one message: "Gotta apply for all licenses," "Should I even say this."

Statutory Allegations

46. From at least in or about July 2017, up to and including in or about April 2018, in the Southern District of New York and elsewhere, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

47. It was a part and object of the conspiracy that SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, and others known and unknown, willfully and knowingly, directly and indirectly, by use of the means and instrumentalities of interstate commerce and of the mails, and of the facilities of national securities exchanges, would and did use and employ manipulative and deceptive devices and contrivances in connection with the purchase and sale of securities, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon persons, in violation of Title 15, United States Code, Sections 78j(b) and 78ff.

Overt Acts

48. In furtherance of the conspiracy and to effect its illegal object, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. In approximately July and August 2017, SHARMA, TRAPANI and FARKAS caused Centra Tech to publish white papers on the internet containing fraudulent misrepresentations and omissions in connection with Centra Tech's unregistered offering of securities to investors, in the form of digital currency tokens issued by Centra Tech.

b. On or about August 14, 2017, SHARMA made fraudulent misrepresentations and omissions about Centra Tech's unregistered securities offering during an interview on Neocash Radio, a cryptocurrency podcast that broadcasts its radio show via the internet.

c. Between on or about July 30, 2017 and on or about September 26, 2017, SHARMA, TRAPANI and FARKAS obtained digital funds for the purchase of Centra Tech tokens from at least five investors who resided in New York, New York.

(Title 18, United States Code, Section 371.)

COUNT TWO
(Securities Fraud)

The Grand Jury further charges:

49. The allegations contained in paragraphs 1 through 45 and 48 of this Indictment are repeated and realleged as if fully set forth herein.

50. From at least in or about July 2017, up to and including in or about April 2018, in the Southern District of New York and

elsewhere, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, willfully and knowingly, directly and indirectly, by use of the means and instrumentalities of interstate commerce and of the mails, and of the facilities of national securities exchanges, used and employed manipulative and deceptive devices and contrivances in connection with the purchase and sale of securities in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon persons, to wit, the defendants participated in a scheme to solicit digital funds worth more than \$25 million for investments in unregistered securities, in the form of digital currency tokens issued by Centra Tech, through fraudulent misrepresentations and omissions.

(Title 15, United States Code, Sections 78j(b) & 78ff;
Title 17, Code of Federal Regulations, Section 240.10b-5; and
Title 18, United States Code, Section 2.)

COUNT THREE
(Conspiracy to Commit Wire Fraud)

The Grand Jury further charges:

51. The allegations contained in paragraphs 1 through 45 and 48 of this Indictment are repeated and realleged as if fully set forth herein.

52. From at least in or about July 2017, up to and including in or about April 2018, in the Southern District of New York and elsewhere, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, and others known and unknown, willfully and knowingly combined, conspired, confederated, and agreed together and with each other to commit an offense against the United States, to wit, wire fraud, in violation of Title 18, United States Code, Section 1343.

53. It was a part and an object of the conspiracy that SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation

of Title 18, United States Code, Section 1343.

(Title 18, United States Code, Section 1349.)

COUNT FOUR
(Wire Fraud)

The Grand Jury further charges:

54. The allegations contained in paragraphs 1 through 45 and 48 of this Indictment are repeated and realleged as if fully set forth herein.

55. From at least in or about July 2017, up to and including in or about April 2018, in the Southern District of New York and elsewhere, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, the defendants participated in a scheme to solicit digital funds worth more than \$25 million for investments in unregistered securities, in the form of digital currency tokens issued by Centra Tech, through fraudulent misrepresentations and omissions, and employed the use of telephones, email communications, and other wire

communications in connection with the scheme.

(Title 18, United States Code, Sections 1343 and 2.)

FORFEITURE ALLEGATIONS

56. As a result of committing one or more of the offenses charged in Counts One through Four of this Indictment, SOHRAB SHARMA, a/k/a "Sam Sharma," RAYMOND TRAPANI, a/k/a "Ray," and ROBERT FARKAS, a/k/a "RJ," the defendants, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses that the defendants personally obtained and the following specific property: 91,000 Ether units, seized by law enforcement from a digital wallet with the public address 0xda6f983076725cb2899205a16e16d1ed60a0067a on or about May 2, 2018.

Substitute Assets Provision

57. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

c. has been placed beyond the jurisdiction of the court;

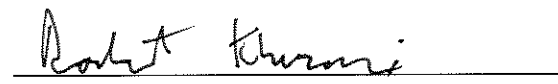
d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty,

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendants up to the value of the forfeitable property described above.

(Title 18, United States Code, Section 981;
Title 21, United States Code, Section 853;
Title 28, United States Code, Section 2461.)


FOREPERSON


ROBERT KHUZAMI
Attorney for the United
States, Acting Under
Authority of 28 U.S.C. § 515

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

SOHRAB SHARMA,
a/k/a "Sam Sharma,"
RAYMOND TRAPANI,
a/k/a "Ray," and
ROBERT FARKAS,
a/k/a "RJ,"

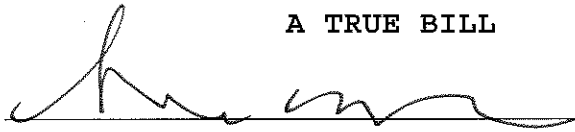
Defendants.

INDICTMENT

18 Cr. _____

(15 U.S.C. §§ 78j(b), 78ff;
17 C.F.R. §§ 240.10b-5;
18 U.S.C. §§ 371, 1343, 1349 and 2.)

A TRUE BILL


FOREPERSON

ROBERT KHUZAMI

Attorney for the United States, Acting
Under Authority of 28 U.S.C. § 515

5/14/18
10

Pls find the case is assigned to
Judge Schubert for all purposes

10/15 Judge Mose